

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 547 Mandated Property Reform Task Force  
**SPONSOR(S):** Prieguez, Arza, and others  
**TIED BILLS:** None. **IDEN./SIM. BILLS:** SB 1248

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Judiciary	17 Y, 0 N	Billmeier	Havlicak
2) Business Regulation		Livingston	Liepshutz
3) Appropriations			
4)			
5)			

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### SUMMARY ANALYSIS

The bill creates the "Mandated Property Reform Task Force" (task force). The task force is responsible for reviewing Florida statutes that relate to land sales, exemptions, and mandatory homeowners' and condominium associations and disclosure laws which affect adult and residential subdivisions. The task force's charge is to evaluate changes and additions, if any, to laws that may affect the interests of consumers and property owners. The bill requires the task force to submit a preliminary report by February 1, 2004, and a final report to the Governor, President of the Senate, and Speaker of the House of Representatives by February 1, 2005.

The bill provides for the composition of the task force, provides for organization of the task force, and provides a method for filling vacancies.

This bill contains a \$50,000 appropriation from the General Revenue Fund to pay administrative expenses and to fund contracts. Members of the task force are allowed to claim per diem and travel expenses.

The bill takes effect upon becoming law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h0547b.br.doc  
**DATE:** March 28, 2003

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |  |   |
|--------------------------------------|------------------------------|--|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/>            |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

This bill creates a government task force to study issues relating to land sales, homeowners' associations, and disclosures. The bill provides for a \$50,000 appropriation.

#### B. EFFECT OF PROPOSED CHANGES:

The bill creates the "Mandated Property Reform Task Force." The task force would be responsible for reviewing Florida statutes that relate to land sales, exemptions, and mandatory homeowners' and condominium associations and disclosure laws which affect adult and residential subdivisions.

#### **Duties of the task force**

Current laws relating to homeowners' associations include chapter 720, F.S. Similar laws for condominium associations are governed by chapter 718, F.S. and cooperative associations are governed by chapter 719, F.S. The task force's charge is to evaluate changes and additions, if any, to laws that may affect the interests of consumers and property owners on matters including, but not limited to:

- control of a homeowners' associations operations, management, and maintenance;
- disclosure of financial reports by developers and owners;
- disclosure of all governing documents governing the real property;
- alternative dispute resolution; and
- formulation of rules to implement enforcement.

The task force must submit a preliminary report by February 1, 2004, to the Governor, President of the Senate, and Speaker of the House of Representatives. The final report is due by February 1, 2005. The Task Force is terminated and the act is repealed on June 30, 2005.

#### **Composition of the task force**

The task force must be appointed by July 1, 2003, and be made up of the following members:

- Eleven members chosen by the Governor;
- Five members chosen by the President of the Senate;
- Five members chosen by the Speaker of the House of Representatives;
- One member representing the Office of the Attorney General;
- Five members of the Florida Legislature, who would serve as ex officio, nonvoting members, consisting of two Representatives and three Senators. The Representatives would be appointed by the Speaker of the House, and must include a member of the House Business Regulation Committee, as well as, a member of the House Judiciary Committee. The Senators would be appointed by the President of the Senate, and must include a member of the Senate Agriculture

Committee, a member of the Senate Judiciary Committee, as well as, a member of the Senate Regulated Industries Committee;

- Twelve members that represent homeowners' rights and consumer interests, to be selected from a pool of candidates solicited by the Governor, the President of the Senate, and the Speaker of the House of Representatives, of which, six members will be chosen by the Governor, three members by the Senate President and three members by the Speaker of the House of Representatives.

The bill provides that the selection of task force members be done in a fair and balanced manner that includes appropriate representation from the industry sector and consumer advocates that have a strong public record of endeavors on behalf of consumer interests and homeowners' rights. Each member appointed to the task force serves at the pleasure of the appointing official and vacancies are to be filled in the same manner as the original appointment.

### **Organization of the task force**

The task force must elect a chairperson from amongst its membership. Members serve without compensation but are entitled to reimbursement for per diem and travel expenses. The bill requires that the task force hold an organizational meeting by August 1, 2003, and meet as scheduled at the time and place designated by the chair. A quorum, consisting of a majority of the members, must be present in order for the task force to perform its official duties. The task force must use accepted rules of procedure and keep complete records during each meeting.

### **Appropriations**

Section 2 of the bill appropriates \$50,000, from the General Revenue Fund to be directed to the Office of Legislative Services, to pay for the expenses and funding contracts necessary to carry out the required duties.

### **Effective Date**

Section 3 of the bill provides the act take effect upon becoming a law.

#### **C. SECTION DIRECTORY:**

Section 1. Creates the Mandated Property Reform Task Force to be composed of 39 members to make recommendations relating to homeowners' associations.

Section 2. Provides a \$50,000 appropriation for the purposes of paying administrative expenses and funding contracts necessary to carrying out the provisions of the bill.

Section 3. Effective date - upon becoming a law.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

#### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

##### **1. Revenues:**

This bill does not appear to have an effect on state government revenues.

##### **2. Expenditures:**

This bill contains a \$50,000 appropriation from the General Revenue Fund to pay administrative expenses and to fund contracts of the task force. Members of the task force are allowed to claim per diem and travel expenses.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

This bill does not appear to have an effect on local government revenue.

2. Expenditures:

This bill does not appear to have an effect on local government expenditures.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

This bill does not appear to have a direct economic impact on the private sector.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, does not appear to reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not appear to reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

None.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None noted.

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**